



## **Yield Payments in the Book-Entry System**

Decision by the CEO

To: Issuers

Depository Participants

Settlement Members

Issuer Agents

|                                       |   |
|---------------------------------------|---|
| Reference to Euroclear Finland Rules: | 4.6.25, 4.6.26  |
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| Supersedes:                           | <p>The CEO's Decision on the Payments of Interests and Redemptions on Infinity in force as of 7 May 2018</p> <p>The CEO's Decision on the Payments of Interests and Redemptions on Infinity in force as of 7 December 2017</p> <p>The CEO's Decision on Payments in Foreign Currency on Infinity in force as of 7 December 2017</p> <p>The CEO's Decision on the Payment of Yield in the OM system in force as of 30 April 2015</p> |

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## 1 Scope of Application

This Decision shall provide for the distribution of tasks and responsibilities between Participants concerning yield payments made in euros or other currencies on Infinity and corrections thereto. This Decision shall apply to the following payments:

- amortisation of bond;
- capital distribution;
- capital distribution from the unrestricted equity reserve;
- dividend payment;
- early redemption of bond;
- interest payment;
- interest payment for cooperative share capital;
- net value payment for warrants.
- other payment;
- redemption of bond;
- redemption of money market instruments; and
- yield payment for mutual fund units (including ETFs).

Capital distributions from the unrestricted equity reserve and interest payments on cooperative share capital shall be technically settled as dividend payments. The provisions concerning dividend payment provided for in this Decision shall also govern these two types of yield payments.

Where applicable, this Decision shall govern other monetary payments made on Infinity by issuers, such as cash compensation paid for securities fractions or liquidation payments paid in case of an issuer's bankruptcy.

## 2 Purpose and Aims

The purpose of this Decision is to ensure that yield payments are handled on Infinity and the associated tax information is delivered to the Tax Administration in a manner that maintains the interests of all relevant parties.

This Decision shall describe the procedure for making payments on book-entries in a manner that accounts for the payment protection required by the Act on Book-Entry Accounts for both issuers and Depository Participants.

## 3 Definitions

**Account bank (tilipankki)** shall refer to a bank selected by the issuer with which the issuer has made an agreement on the transfer of deposits in connection with the payment of dividends and yield payments of mutual fund units.

**Correction Period I (korjausjakso I)** shall refer to a period between the record date and the payment date during which a Depository Participant may correct the yield data in its aggregate of accounts and deliver the tax information concerning the relevant yield payment which must be delivered by the payment date. Correction Period I shall start as of record date +1 and end at 15:30 p.m. (EET/ UTC +2) payment date –2. Correction Period I shall apply only to dividend payments and yield payments on mutual fund units.

**Correction Period II (korjausjakso II)** shall refer to the period between the payment date and the last registration day of the month in which the yield payment was made. During this period, a

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Depository Participant may correct the yield data in its aggregate of accounts and deliver the tax information concerning the relevant yield payment for use in self-assessed tax returns. Correction Period II shall apply only to dividend payments and yield payments on mutual fund units.

**Correction Period III (korjausjakso III)** shall refer to the period between the completion of the first self-assessed tax return and the last registration day of the calendar year. During this period, a Depository Participant may correct the yield data in its aggregate of accounts and the self-assessed tax returns associated with the yield payment. Correction Period III shall apply only to dividend payments and yield payments on mutual fund units.

**Ex-date** shall refer to a trading date following the meeting date on which the issuer's governing body decided on a yield payment. Book-entries traded starting from the ex-date do not entitle to yield. The ex-date shall not apply to the yield payments of debt-rated book-entries.

**Expiry date of a warrant (warrantin päättymispäivä)** shall refer to a registration day on which the warrant is terminated according to its terms and conditions. The expiry date of a warrant shall also be the payment date of the exercise.

**Foreign institution (ulkomainen laitos)** shall refer to a foreign organisation referred to in Section 7.1.1 of Euroclear Finland Rules.

**Income tax (tulovero)** shall refer to the tax referred to in the Income Tax Act (Finlex 1535/1992).

**MyTax (OmaVero)** shall refer to the e-service provided by the Tax Administration for handling tax-related matters.

**Negative interest payment (negatiivinen korko)** shall mean a scenario where the interest rate is below zero and the issuer should receive interest instead of paying interest. Negative interest payments are not supported in Infinity.

**Payment (maksu)** shall refer to a yield payment handled on Infinity.

**Payment instruction (maksuohje)** shall refer to an instruction from Euroclear Finland to an issuer for the transfer of deposits or an instruction from Euroclear Finland to a Depository Participant for tax remittance.

**Payment date (maksupäivä) of a equity-rated book-entry** shall refer to a date specified by the issuer on which the Depository Participant shall make a yield payment to the parties eligible for the yield. The determination of the payment date of the yield shall be provided for in Euroclear Finland Rules.

**Payment date (maksupäivä) of debt-rated book-entries** shall refer to a registration day on which Infinity is open and on which the issuer has, under the terms and conditions of the debt, the obligation to make a payment of interest, amortisation or redemption to debt-rated book-entry holders.

**Record date (täsmäytyspäivä)** shall refer to

- a date referred to in the Companies Act and established by a company to determine who exactly are included in the company's shareholder register as of that date and, consequently, to which persons dividends or capital distributions shall be paid;
- a date referred to in the Cooperatives Act and established by a cooperative to determine exactly who are included in the member register as of that date and, consequently, which persons are eligible for distribution of assets;
- a date referred to in the Unit Trust Act to determine who exactly are included in the list of owners as of that date and, consequently, to which persons shall yields be paid;

- a date determined by the issuer of a depositary receipt or a foreign security to determine which depositary receipt or foreign security holders are, based on information in the relevant book-entry accounts as of that date, eligible to receive payments on their depositary receipts or foreign securities;
- in the case of debt-rated book-entries, a date whose end-of-day status determines which debt-rated book-entry holders are entitled to interest, amortisation or redemption payment pursuant to the terms and conditions of the debt-rated book-entries. The record date for debt-rated book-entries shall be the registration day preceding the payment date; or
- in the case of warrants, a registration day preceding the expiry date of the warrant. A warrant's expiry date shall also be its net value payment date.

The determination of the record date shall be provided for in Euroclear Finland Rules.

**Redemption (erääntyminen)** shall refer to repayment of capital according to terms and conditions of a debt-rated book-entry.

**Registration day (rekisteripäivä)** shall refer to a day in which both the TARGET2 system and the Book-Entry Register, or the relevant part thereof, is operating.

**Self-assessed tax return (oma-aloitteisten verojen veroilmoitus)** shall refer to the tax return referred to in the Tax Procedure Act on Self-Assessed Taxes (Finlex 768/2016).

**TaxMill Platform (TaxMill-järjestelmä)** shall refer to the service provided by Euroclear Finland via which tax information on yield payments provided by Depository Participants is compiled and delivered to issuers. Additionally, via the TaxMill Platform, Euroclear Finland shall deliver each issuer's Depository-Participant-specific tax returns for self-assessed taxes pertaining to yield payments to the Tax Administration's MyTax service.

**Tax at source on interest (korkotulon lähdevero)** shall refer to the tax referred to in the Act on Tax Withheld at Source from Interest (Finlex 1341/1990).

**Tax at Source (lähdevero)** shall refer to the tax referred to in the Act on Taxation of Non-Resident Income (Finlex 627/1978).

**Tax withholding (ennakonpidätys)** shall refer to a tax set out in the Prepayment Act (Finlex 1118/1996).

**Tax period (verokausi)** shall refer to the period referred to in the Tax Procedure Act on Self-Assessed Taxes (Finlex 768/2016).

**Transfer of deposits (katteiden siirto)** shall refer to cash payment made in connection of yield payment in commercial bank money by the issuer or its account bank to a Depository Participant using the banking details provided by the Depository Participant. Transfer of deposits shall be used only for dividend payments and yield payments on mutual fund units.

**Yield (tuotto)** shall refer to dividend, interest, redemption and amortisation, payments on a depositary receipt, warrant, mutual fund unit or foreign book entry as well as capital distribution and interest payment for cooperative share capital which are paid in cash.

## 4 Euroclear Finland's Liabilities and Responsibilities

Euroclear Finland shall ensure that all issuers are compliant with Euroclear Finland Rules and this Decision when determining the yield payment record date and payment date.

Euroclear Finland shall perform the entitlement and gross payment calculations based on each book-entry's status at its record date. The details of the book-entry holders who are entitled to receive payment shall be made available to Depository Participants through Infinity no later than

on the morning following the record date. Settlement instructions required for settling corporate actions shall be automatically generated by Infinity, excluding instructions for dividend payments and yield payments for mutual fund units.

If Euroclear Finland receives information that a deposit required for making a yield payment will be significantly delayed or has not been appropriately transferred, Euroclear Finland shall inform the Depository Participants of this without delay.

#### 4.1 Equity-Rated Book-Entries

As soon as an issuer has published a yield proposal and Euroclear Finland has received information on the yield (such as the issuer, ex-date, the record date, the payment date of the yield and the yield amount in euros per book-entry) from the issuer as referred to in Section 7.1 below, Euroclear Finland shall submit a preliminary notification to the Depository Participants.

Euroclear Finland shall have the obligation to transfer confirmed information relating to payments from the issuer to the Depository Participants immediately after the meeting of the governing body at which the decision on yield was made or after the yield payment has been validated and once Euroclear Finland has obtained the necessary information from the issuer or from the Issuer Agent.

For dividend payment, Euroclear Finland shall provide the issuer with Depository Participant-specific payment instruction and banking details for the transfer of deposits by 11:30 a.m. (EET, UTC+2) on a registration day preceding the payment date.

During Correction Period I, Euroclear Finland shall grant Depository Participants permission to add new dividends until the registration day preceding the payment date.

#### 4.2 Debt-Rated Book-Entries

Euroclear Finland shall provide Depository Participants with a preliminary notification on the yield payment as soon as the associated corporate action event has been generated on Infinity and, a confirmation once the Issuer Agent has confirmed the event details on Infinity. If the interest rate of a variable rate debt-rated book-entry is negative, negative interest shall not be paid and the interest payment event shall be reported as a zero payment on Infinity.

Euroclear Finland shall oversee that, during the service hours of Infinity, payments concerning debt-rated book-entries on Infinity are settled according to Euroclear Finland Rules and its CEO's Decisions.

Payments are settled automatically in euros within the Infinity sub-accounting system. Payments shall be credited to the Depository Participant's internal cash account dedicated for corporate actions based on data from a book-entry account or securities account group. Payments shall be delivered once the Issuer Agent has transferred the required funds to its own internal cash account and released the corporate action on Infinity.

Infinity will then generate a report on the deposit required for yield payment, based on the status on the record date evening, and deliver the report to the Issuer Agent. The report can be retrieved from Infinity in the morning of the payment date.

#### 4.3 Foreign Book-Entries and Depository Receipts

Payments concerning foreign book-entries (link securities) incorporated in the Book-Entry System on the basis of an agreement between Euroclear Finland and a foreign institution shall be made in accordance with the principles of the Act on the Book-Entry System and Clearing Operations so that the provisions governing issuers, whether stipulated by laws and regulations or by Euroclear Finland Rules and its CEO's Decisions, are not applicable to the issuer of the foreign security.

On the basis of an agreement between Euroclear Finland and a foreign institution, Euroclear Finland shall transfer the basic details of the foreign book-entries obtained from the institution to the Depository Participants.

Euroclear Finland shall provide payment schedules for foreign book-entries as soon as it receives the necessary information from the foreign institution. Euroclear Finland shall be responsible for transferring payments from the foreign institution to the Depository Participants. Where applicable, the provisions of this Decision shall govern payment transfers. Euroclear Finland shall make the payment in the original currency of the payment.

For depository receipts, foreign securities or rights associated with foreign securities pursuant to the Act on Book-Entry System and Clearing Operations, Euroclear Finland shall submit, to the issuer, the country-specific compilation lists provided by Depository Participants upon which tax at source is collected abroad (where applicable) on payments concerning foreign securities. Due to a missing or incomplete country-specific compilation list or on the basis of a valid tax treaty or the practices of a foreign institution, the holders of foreign book-entries or depository receipts may be subject to the maximum tax rate, for which the recipient may, subject to the relevant regulations and tax treaties, request a refund.

The issuer of depository receipts and Euroclear Finland shall separately agree on the payment schedule of each depository receipt class.

#### 4.4 Reporting Yield Payments Using the TaxMill Platform

The basic data of dividend payments that will be reported via the TaxMill Platform and the total number of book-entries for each Depository Participant shall be made available on the TaxMill platform on the day following the record date.

The basic data of interest payments that will be reported via the TaxMill Platform shall be made available on the TaxMill Platform on the payment date.

All transactions that are registered and approved on the TaxMill Platform in the month during which yield was paid shall be automatically included in the target month's self-assessed tax return. After the turn of each payment month, Depository Participants shall be provided with a monthly report via the TaxMill Platform for reconciliation purposes.

Euroclear Finland shall submit self-assessed tax returns concerning yield payments by domestic issuers to the MyTax service on the fourth registration day of the month following the month during which the yield was paid or, at the latest, on a date stipulated by the Tax Administration. The tax returns shall be delivered on behalf of each issuer itemised based on the applicable tax categories and the Depository Participants.

Euroclear Finland shall provide issuers and Depository Participants with a report on the information submitted to the MyTax service itemised based on tax categories and Depository Participants.

After the turn of a yield payment month, Euroclear Finland shall provide Depository Participants with a tax summary for taxes withheld on debt-rated book-entry yield payments. Taxes withheld on a domestic issuer's debt-rated book-entry yield payment shall be paid using the issuer's MyTax reference. Taxes withheld on a foreign issuer's debt-rated book-entry yield payment shall be paid by a Depository Participant using its own MyTax reference. In both cases, the taxes shall be paid within a timeframe stipulated by the Tax Administration.

After Correction Period II, as a general rule, Euroclear Finland shall make corrections to the self-assessed tax returns in the MyTax service once a month.

Euroclear Finland shall create an annual summary report of dividends and interests on cooperative share capital and submit the report to the Tax Administration.

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## 5 Issuer Agents' Liabilities and Responsibilities

### 5.1 Equity-Rated Book-Entries

If an issuer has authorised an Issuer Agent to handle its dividend payment, the Issuer Agent shall be responsible for the validity of dividend payment information entered into Infinity. The Issuer Agent shall enter the dividend payment information into Infinity and agree, with the issuer, on the transfer of deposits associated with dividend payment in commercial bank money.

### 5.2 Debt-Rated Book-Entries and Warrants

Each Issuer Agent shall be responsible for ensuring that the details of the issuances entrusted to it correspond, at all times, to the terms and conditions of the relevant book-entry. The Issuer Agent shall have the obligation to provide, without delay, Euroclear Finland with any information concerning said terms and conditions or changes thereto that have a material impact on the use of the book-entry system or settling payments. The Issuer Agent shall also ensure that the terms and conditions of debt-rated book-entries do not include a provision for negative interest payments. If the interest rate of a variable rate debt-rated book-entries is negative, the interest payment event shall be reported as a zero payment.

Additionally, in order to allow entitlement calculations to be completed on the record date, the Issuer Agent shall be responsible for the details of the corporate action events for the book-entries under its management.

The Issuer Agent shall see to that the payments related to the debt-rated book-entry or warrant whose issuance is entrusted to it shall be executed on Infinity during the system's service hours and in accordance with Euroclear Finland Rules and its CEO's Decisions.

The Issuer Agent shall instruct the issuer to make the necessary payment for its book-entries or warrants and agrees with the issuer to transfer the payment on its behalf into Infinity's sub-accounting. The required payment amount shall be transferred to the Issuer Agent's internal cash account that is associated with the relevant book-entry's commission account and dedicated for handling corporate actions.

After having received the payment from the issuer, the Issuer Agent shall release the corporate action event on Infinity, after which the associated settlement instructions can be settled. The payment shall be transferred in a timeframe that allows the settlement of the instructions by 12:00 noon (EET/ UTC+2) on the payment date at the latest.

## 6 Depository Participants' Liabilities and Responsibilities

Each Depository Participant shall be responsible for ensuring that its personnel have sufficient knowledge of current tax regulations. Furthermore, the Depository Participant shall ensure that the platforms it uses for yield payments have sufficient capacity and are in compliance with current reporting requirements by regulatory authorities.

The Depository Participant shall be responsible for managing yields payable within its aggregate of accounts in the book-entry system and making payments to those entitled for yield payment on the basis of book-entry account data on the record date. The Depository Participant shall be responsible for the validity of the information it has submitted to Euroclear Finland, the issuer and the Tax Administration.

Pursuant to this Decision, the Depository Participant shall provide Euroclear Finland with the details of corrections made to the yield payments, transfers of deposits and tax reporting information associated with its aggregate of accounts, required for reporting the self-assessed tax returns of yield payments.

The Depository Participant shall collect any information relating to yield payments and tax payments and deliver the associated documents, certificates and other materials required for annual information returns as prescribed by the Tax Administration.

If an issuer fails to provide a sufficient deposit for yield payment to the Depository Participant within the schedule provided herein, the Depository Participant shall immediately notify Euroclear Finland thereof.

If yield payment is delayed on account of a lack of sufficient deposit, the Depository Participant shall retain the payment details and other information required for the payment in a manner that allows the payment to be completed at a later date. The information shall be retained until the issuer announces or it becomes otherwise evident that the yield payment shall not be completed, but no later than required by the regulations governing the keeping of general accounts.

## 6.1 Equity-Rated Book-Entries

Depository Participants shall furnish Euroclear Finland with banking details for deposit transfers well in advance of the start of their Depository Participant operations on Infinity. Depository Participants may amend banking details in the TaxMill Platform until 10:30 a.m. (EET/UTC +2) on the registration day preceding the payment.

If tax at source shall be withheld on a dividend payment using the process specified in Section 10 b of the Act on Taxation of Non-resident Income, the Depository Participant shall ensure that:

- the agreement between the Depository Participant and the custodian is compliant with the requirements of the legal provision specified above;
- the legal domicile of the custodian is a state with which Finland has a currently valid tax treaty; and
- at the time of dividend payment, the custodian is registered in the Foreign Custodian Register maintained by the Finnish Tax Administration.

Before the yield payment, the Depository Participant shall receive the particulars of the recipient of the payment referred to in Section 10, Subsection 1 of the Act on Taxation of Non-resident Income and keep the particulars available for the issuer.

The Depository Participant shall deliver dividend removal notifications and requests for addition concerning another Depository Participant to Euroclear Finland in good time during Correction Period I. Dividend removal notifications and requests for addition can be made on the TaxMill Platform for processing throughout Correction Period I until 15:00 p.m. (EET/UTC +2) on the second registration day preceding the payment date. Depository Participants shall not report their internal corrections.

The Depository Participant shall monitor the processing status of the addition requests it has made on the TaxMill Platform.

In order to make the necessary deposit transfers and complete the required self-assessed tax returns, each Depository Participant shall check the information of the yield payments under its management and deliver the tax amount details associated with its aggregate of accounts to Euroclear Finland. For dividend payments reported via the TaxMill Platform, taxes payable for each tax category (tax withholding and tax at source) shall be entered on the platform by 10:30 a.m. (EET/UTC +2) on the registration day preceding the payment date. This will allow Euroclear Finland to transfer the required deposits in due time. When reporting taxes payable for each tax category, the Depository Participant shall report the yields paid for book-entries associated with equities savings accounts and long-term saving schemes as separate items.

## 6.2 Debt-Rated Book-Entries

Depository Participants shall remit taxes withheld on interest to the Tax Administration's bank account as instructed by the Tax Administration. When remitting taxes withheld on interest paid by a domestic issuer, the Depository Participant shall use the MyTax reference of the issuer, which is provided by Euroclear Finland. When paying taxes withheld on interest paid by a non-domestic issuer, the Depository Participant shall use the MyTax reference of the Depository Participant.

## 6.3 Foreign Book-Entries and Depository Receipts

Depository Participants shall provide Euroclear Finland with a country-specific compilation list for foreign book-entries and depository receipts within a predetermined timeframe. Euroclear Finland shall forward such lists to the relevant foreign institution or depository receipt issuer for the purposes of tax withholding abroad. Due to missing or incomplete country-specific compilation lists or on the basis of a valid tax treaty or the practices of a foreign institution, the holders of foreign book-entries or depository receipts may be subject to the maximum tax rate, for which the recipient may, subject to the relevant regulations and tax treaties, request a refund.

## 6.4 Reporting Yield Payments Using the TaxMill Platform After the Payment Date

During Correction Period II, Depository Participants may make tax corrections to yields, requests for addition and removal notifications on the TaxMill Platform, starting from the payment date and ending on the last registration day of the payment month. Depository Participants shall also use the TaxMill Platform to make any internal tax corrections that have an effect on self-assessed tax returns.

Depository Participants shall record the taxes payable for each tax category concerning interest payment on the TaxMill Platform in the month during which the relevant interest was paid. In order for Euroclear Finland to complete the required self-assessed tax returns, Depository Participants shall check the interest amounts, make required corrections and deliver the associated tax amount details to Euroclear Finland.

Once interest has been paid, Depository Participants may make corrections, additions and removals on the TaxMill Platform in the calendar year during which the interest was paid starting on the fourth registration day of the month following the payment.

After the end of each month, Depository Participants shall reconcile the yields paid for the month and the associated taxes. After the end of each month, Euroclear Finland shall provide Depository Participants with a summary report for reconciling the yields and taxes they have reported using the TaxMill Platform. The Depository Participant shall match this summary report with its own records concerning the number of yield payments made and the sums paid. These accounts shall be reconciled and any required corrections made by the third registration day at 15:00 EET /UTC + 2 following the payment month.

After the turn of the year, Depository Participant shall reconcile the yields paid for the previous calendar year and the associated taxes. After the turn of the year, Euroclear Finland shall provide Depository Participants with a summary report for reconciling the yields and taxes they have reported using the TaxMill Platform. The Depository Participant shall match this summary report with its own annual information return materials and recipient-specific details.

Each Depository Participant shall verify, and declare as confirmed, the results of its reconciliation and report any corrections to Euroclear Finland within a timeframe specified by Euroclear Finland. After receiving this information, Euroclear Finland shall deliver the annual information return summary regarding dividend payments to the Tax Administration.

Any corrections following the year for which yields were paid shall be made by the Depository Participant as instructed by the Tax Administration outside the TaxMill Platform.

## 7 Issuer's Responsibilities

Each issuer shall authorise Euroclear Finland to submit self-assessed tax returns and corrections thereto, on the issuer's behalf, through the TaxMill Platform to the MyTax service. The issuer shall provide Euroclear Finland (business ID: 1061446-0) with a Katso username, which will allow Euroclear Finland to deliver the tax information specified in this Decision to the MyTax service on behalf of the issuer.

The authorisation shall apply only to the following tax categories:

- 68 Tax withheld on interest and profit-shares;
- 92 Tax withheld on dividend paid out (residents);
- 39 Tax at source on dividends (non-residents);
- 69 Tax at source on interest and royalties (non-residents); and
- 84 Tax at source on interest income (residents).

### 7.1 Equity-Rated Book-Entries

When stipulating record dates, each issuer shall reserve a settlement period between the record date and the meeting of the issuer's governing body at which the decision on the yield payment was made. For on-venue share trades completed on the date of the meeting of the governing body deciding on the payment of yields, the entitlement to the associated yield payments shall be transferred to the buyer. This shall not be the case for trades concluded thereafter (ex-date or later).

As soon as the issuer has decided on the yield payment proposal and, where required by the rules of the trading venue, made the proposal public through a stock exchange release, the issuer shall, without delay, provide Euroclear Finland with preliminary information on the yield payment. This notification shall be delivered to Euroclear Finland using an electronic dividend form. The issuer may authorise its Issuer Agent to deliver the details of the yield payment to Infinity.

By sending the notification to Euroclear Finland, the issuer shall concurrently commission both Depository Participants and Euroclear Finland to pay the yields on its behalf in accordance with Euroclear Finland Rules 4.6.10–4.6.19.

The issuer shall deliver to Euroclear Finland or its own Issuer Agent, if the issuer has authorised the Issuer Agent to handle the yield payment, the numbers of the book-entry accounts holding the book-entries that were both issued and held by the issuer and for which yields shall not be paid. This notification shall be delivered by the record date.

The issuer shall be responsible for withholding the tax at source referred to in the Act on Taxation of Non-resident Income and tax withholding referred to in the Prepayment Act as well as remitting and reporting any taxes withheld to the Tax Administration as prescribed in current tax regulations. On behalf of the issuer, Euroclear Finland shall submit the annual summaries required by tax regulations to the Tax Administration. Where dividend payments are concerned, the issuer agrees that the dividend recipient details referred to in Section 10, Subsection 1 of the Act on Taxation of Non-resident Income shall be retained by the Depository Participants.

The issuer shall confirm the details of the yield payment to Euroclear Finland immediately after the meeting of the governing body at which the decision on yield is made.

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The issuer shall be responsible for transferring the deposits for equity-rated book-entries to the Depository Participants using the payment instruction provided by Euroclear Finland by 13:00 p.m. (EET/UTC +2) on the registration day preceding the payment date.

If the issuer is unable to provide the Depository Participants with a sufficient deposit for yield payment within the schedule provided herein, the issuer shall immediately notify Euroclear Finland and the Depository Participants thereof. The issuer shall be liable to compensate the Depository Participants and Euroclear Finland for any costs arising from deviating from the agreed schedule.

During Correction Period III, the issuer shall arrange, at least once a month, a transfer of deposits for yield corrections, tax refunds and aftermarket exchanges using the payment instruction provided by Euroclear Finland.

## 7.2 Debt-Rated Book-Entries and Warrants

Debt-rated book-entry issuers shall confirm the payment of the yields by 14:00 p.m. (EET/UTC +2) on the record date of interest payment or redemption. The issuer's Issuer Agent shall confirm the details of the yield payment using the Infinity system's GUI.

When issuing warrants, each warrant issuer shall stipulate that their warrant's expiry date is also its exercise date, which is the third registration date after the last trading date of the warrant. The record date is the registration date preceding the exercise date on Infinity. The issuer of the warrant shall also report the net value paid against the warrant by 14:00 p.m. (EET/UTC +2) on the record date of net value payment.

The issuer of the warrant shall deliver, to its Issuer Agent, the numbers of the book-entry accounts holding the book-entries that were both issued and held by the issuer and for which yields shall not be paid. This notification shall be delivered by the record date.

The issuer of debt-rated book-entries and warrants shall have the responsibility to transfer the associated deposit payment within a timeframe that allows the payment to be made on Infinity on the payment date as required by Euroclear Finland Rules and its CEO's Decisions.

The issuer shall have the obligation to provide, without delay, its Issuer Agent with any information concerning the terms and conditions of the issuance or changes thereto that have a material impact on the use of the book-entry system or the settlement of payments. The issuer shall be liable to compensate the Depository Participants and Euroclear Finland for any costs arising from deviating from this Decision.

The issuer shall deliver its MyTax reference to Euroclear Finland. Euroclear Finland shall forward the reference through the TaxMill platform to Depository Participants for paying taxes on interest payments.

## 7.3 Foreign Book-Entries and Depository Receipts

The issuer of depository receipts, foreign securities referred to in the Act on Book-Entry System and Clearing Operations or rights associated thereto, shall be responsible for the tax at source procedure potentially concerning foreign securities in the issuer's home state. Furthermore, the issuer shall be responsible for ensuring that payments are made in euros and, where necessary, making the required currency conversion, as well as for reporting to Euroclear Finland the tax at source withheld abroad, if any.

The issuer shall also be responsible for making payments to the correct recipients on the basis of conversions performed between the depository receipts and foreign securities during payment.

Payments for the underlying foreign securities of depository receipts or foreign book-entries or rights associated therewith, as referred to in the Act on Book-Entry System and Clearing operations, can be subject to the maximum tax due to a current tax treaty or foreign practice. The

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recipient may, pursuant to the relevant regulations and tax treaties, request a refund for withheld tax.

## 8 Corrections to Yield Payments

Settlement Members and Depository Participants shall make all corrections to yield payments without delay.

The Issuer Agent together with the relevant Depository Participant shall participate in making corrections to depository receipt payments where, due to conversions performed between depository receipts and foreign securities, the payment must be transferred to a recipient prescribed in the terms and conditions of the transaction.

### 8.1 Dividend Payments

#### Corrections to Dividend Payments During Correction Period I

Each Participant shall undertake to ensure that dividends are paid to the party to whom they belong under the terms and conditions of the trade. Shares transferred as part of a trade or other transaction between Participants shall entitle to dividends, if the original trade date of the transaction precedes or matches the date of the meeting of the governing body deciding on the dividend and the Participants have not otherwise agreed and this agreement is not separately demonstrated.

The Participants shall pay special attention when approving a postponement of a settlement date of a trade or other transaction past the record date of the dividend payment since Euroclear Finland and Depository Participants will not automatically take into account trade cum dividend. Therefore, the Participants shall immediately deliver any notifications concerning dividend payments on TaxMill. If the settlement date of a trade or other transaction is postponed past the record date, the delivering Participant shall be responsible for making corrections to the dividends in a manner agreed between the participants.

The delivering Participant shall submit any removal notifications to TaxMill. The removal notification form shall be submitted immediately but no later than the day following the record date.

The receiving Participant shall submit its request for addition to TaxMill on behalf of its customer on the day the transaction entitling to dividend is registered on the customer's account.

#### Corrections to Dividend Payments after Correction Period I

If dividends have been paid to a correct recipient using the payment details in the Book-Entry System, but the payment is incorrect under the terms and conditions of the trade or other transaction, the payment of dividends shall be corrected. In such cases, the delivering Participant shall ensure that a removal concerning the dividends is made to the customer's account and that the customer refunds the dividends he or she has received on incorrect grounds. The Participant representing the customer shall refund the dividend to the issuer that paid the dividend. The delivering Participant shall send a notification on the removal of the payment of dividends to the customer's Depository Participant.

Once the trade has been settled, the receiving Participant shall issue, to the customer's Depository Participant, a request for addition relating to the payment of dividend. The Participant shall deliver the request for addition along with the associated tax information via TaxMill to Euroclear Finland, which shall forward it the issuer for payment.

### 8.2 Monetary Compensation

Monetary compensation shall be handled outside the Book-Entry System.

*Restricted to customers only*

If incorrectly paid dividends cannot be refunded and the associated yield transaction cancelled, or the dividends have not been paid to the delivering Participant where the delivering Participant has the obligation to transfer shares cum-dividend to the receiving Participant, the delivering Participant shall render, to the receiving Participant, cash compensation for the dividends. The compensation paid in euros shall correspond to the net amount the recipient of the compensation would have received on the basis of its entitlement to dividends. The compensation shall be paid in a single payment.

For the purposes of determining the amount of compensation, the receiving Participant shall report, to the delivering Participant, the tax residence of the monetary compensation recipient as well as other material details concerning his or her taxation. The delivering Participant shall make the necessary corrections, if any, on TaxMill.

### 8.3 Corrections to Other Yield Payments

For interest and capital distribution payments, Infinity will automatically generate market claims based on pending settlement transactions that entitle to distributable yields. Market claims shall be settled independently from the underlying settlement transactions. Participants shall be responsible for the validity of market claims' tax information as well as paying the associated taxes, if any.

For net value payments on warrants and redemptions of debt-rated book-entries, Infinity shall cancel all unsettled settlement transactions on the record date of the payment. Infinity shall automatically generate new settlement instructions for settlement transactions that are open on the record date as well as separate settlement instructions for net value payments and redemption of debt. Any such yields will be transferred to the recipients entitled to the yields using these settlement instructions.

## 9 Payments in Foreign Currency

This part of the Decision shall apply to redemption, amortisation or interest payments made in a currency other than the euro where Euroclear Finland's CEO has, in connection with the issuance of the book-entry, approved the use of a currency other than euro in yield payments.

The general yield payment schedule specified in this Decision shall apply to any such interest, amortization and redemption payment of book-entries being issued.

### 9.1 Banks and Currencies Approved for Payment Transfer

The issuer shall, in good time before the issuance, consult with Euroclear Finland, its own Issuer Agent and a payment-transfer bank, on a foreign currency payment instruction for transferring payments to Depository Participants who have holdings in their custody entitling to such payment.

The payment-transfer bank can be either a central bank or an Infinity Participant that has a deposit bank license or a corresponding foreign license and that has been approved by Euroclear Finland to transfer foreign currency payments concerning book-entries.

As a part of the issuance permission for each class of book-entries denominated in a foreign currency, Euroclear Finland's CEO shall, on the request of the issuer, approve a payment-transfer bank for the required payment transactions. If the permit concerns continuous issuances of book-entries denominated in a foreign currency, the CEO shall correspondingly approve payment through the relevant payment-transfer bank in all issues included in the scope of the permit.

Issuers shall make payments only in the foreign currencies specified below:

- USD, SEK, NOK, CHF, GBP, JPY, DKK or CAD.

Restricted to customers only

## 9.2 Responsibilities of the Issuer, the Issuer Agent and the Payment-Transfer Bank

Yields payable in a foreign currency shall be calculated on Infinity, whereas the associated payment transfers shall be performed outside of Infinity. Before submitting an issuance application for a book-entry denominated in a foreign currency, the issuer shall agree with its Issuer Agent and the payment-transfer bank on how the payments concerning the relevant class of book-entry shall be handled.

The Issuer Agent shall perform the associated foreign-currency payments in accordance with a predetermined payment plan and schedule.

When creating book-entry on Infinity, the Issuer Agent shall associate the book-entry with an internal cash account dedicated for corporate actions and denominated in the relevant currency.

The issuer shall ensure that it delivers the required payments to the payment-transfer bank in accordance with the payment plan. The issuer shall ensure that the payment-transfer bank has the amount of currency required for the interest payment, amortisation or redemption, allowing the bank to make the payment to the receiving Depository Participants on the payment date and following the general schedule for yield payments.

The Issuer Agent shall provide Euroclear Finland with a payment confirmation of any such payment made to receiving Participants.

The Issuer Agent shall be responsible for updating the corporate action information on Infinity immediately after the payment has been settled.

## 9.3 Euroclear Finland Responsibilities and Schedules

When processing permissions for issuance application, Euroclear Finland shall approve the payment transfer methods associated with the issuance.

Euroclear Finland shall create the corporate action either automatically on Infinity based on the details of the book-entry class or approve the corporate action manually after it has been set up by the Issuer Agent. Euroclear Finland shall calculate the entitlements as well as the yields payable based on the information available on the record date. If the corporate action is an amortisation or redemption, Euroclear Finland shall also create the necessary settlement instructions. Information on eligible holders for the payment shall be made available to the Depository Participant on Infinity no later than the morning of the payment date.

Euroclear Finland shall instruct the Issuer Agent to pay those Depository Participants who are currently holding book-entries in their custody entitling to the payment.

## 9.4 Depository Participants' Responsibilities

Foreign currency payments shall be made to a bank account specified by the Depository Participants.

Depository Participants shall be responsible for forwarding payments received from the payment-transfer bank to those entitled thereto in accordance with the information recorded in the book-entry accounts.



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